



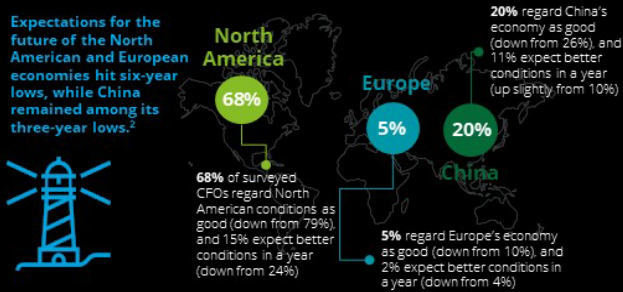
CFO Signals™

Business outlook highlights: 3rd Quarter 2019¹

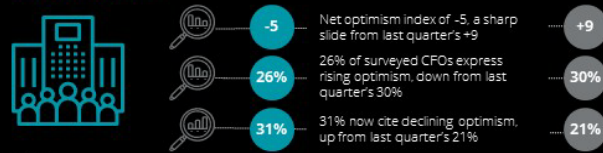
Trade and economic fears drive sentiment to multi-year lows

This quarter, CFOs' sources of concern and uncertainty intensified. Major economies showed more signs of slowing. The US/China tariff war escalated, a no-deal Brexit became more likely, and questions about trade within North America and between the US and Europe remained unresolved. As Deloitte's Chief Global Economist, Ira Kalish, put it, "The world increasingly appears to be on recession watch." This quarter's survey findings seem to indicate that large companies agree, with several key metrics hitting new multi-year and historic (i.e., 38-quarter) lows.

Expectations for the future of the North American and European economies hit six-year lows, while China remained among its three-year lows.²



Own-company optimism turned negative for the first time in nearly seven years.⁴



Footnotes
¹ Visit www.deloitte.com/us/insights/articles/pages/cfo-signals-report-background-and-findings.html for the high level CFO Signals report background and findings.
² Percent of CFOs saying economies are good (versus neutral or bad).
³ Represents forecasted results for the next 12 months.
⁴ Represents change in CFO optimism of company prospects over the next 12 months, compared to prior quarter.

Earnings expectations slid to a new survey low, and capital spending and hiring declined to three-year lows.³



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